

NUSF-99.58

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March 12, 2019

Mr. Michael Hybl
Executive Director
Nebraska Public Service Commission
300 The Atrium, 1200 "N" Street
Lincoln, NE 68508C

RE: In the Matter of the Nebraska Public Service Commission, on its own Motion to administer the Universal Service Fund High-Cost Program: Windstream Nebraska, Inc. Broadband Grant Requests

Dear Mr. Hybl:

Windstream Nebraska, Inc. hereby submits the attached application for broadband funding from the Nebraska Universal Service Fund (NUSF) for a Fixed Wireless project to serve the Southern area of the Ashland RL15 Exchange. Specifically, Windstream proposes to place equipment at one site, one remote Base Station approximately 5.7 miles west of the Ashland Central Office. The Remote Base Station will provide the broadband connection to the customers, and have wireless backhaul to an intermediate pole having fiber connectivity to the Ashland Central Office. An electronic version of this filing has also been submitted to the NUSF Staff.

If you have any questions or require any additional information, please let me know.

Sincerely,

Julie Munroe

Enclosures

WINSTREAM NEBRASKA, INC.

NUSF-99 PRICE CAP APPLICATION – Ashland EXCHANGE RL15

Checklist Item No. 1:

A description of the proposed broadband project including download/upload speed capabilities which can be provided and a description of the proposed network infrastructure to be deployed. Minimum speed standards should be 4 mbps download and 1 mbps upload.

Windstream's Response:

Windstream submits the following project for the Commission's consideration of NUSF-99 broadband funding, to be constructed upon funding approval, using funding available from the 2017 funding allocation.

- Fixed Wireless to serve the Western area of Ashland, NE ILEC Exchange (Partial funding requested)

The Central Office for Ashland is currently connected with interoffice fiber facilities. Customers within reach of the office are qualified for 4Mbps down / 1Mbps upload broadband or better (up to 100Mbps), depending on the copper loop length from the equipment. This project intends to address those customers in the Western area of the exchange that have exceptionally long loop lengths and therefore have no broadband or limited broadband availability (less than 25Mbps) by providing a Fixed Wireless solution.

- The project will place equipment at one site, one remote Base Station approximately 5.7 miles west of the Ashland Central Office.
- The Remote Base Station will provide the broadband connection to the customers, and have wireless backhaul to an intermediate pole having fiber connectivity to the Ashland Central Office.

These network upgrades will enable a network capable of minimum speeds of 10Mbps download and 1Mbps upload for all impacted customers and depending upon the distance from the remote Base Station, the majority of customers will have speeds of 25Mbps and up to 100Mbps available.

Windstream projects the total deployment costs for this project is \$145,417, and Windstream is requesting Nebraska Universal Service Funding of \$71,386, the difference between the total project costs and the requested funding is because Windstream is not seeking funding for the areas funded by the FCC's Connect America Fund Phase 2 program. Windstream is requesting that the funding for this project be applied against the remaining 2017 funds allotted to Windstream.

Windstream Response:

Attached Checklist Item #6 provides a listing of the retail pricing for the broadband services Windstream will be offering in the proposed service areas. This price list is consistent with Windstream pricing for similar services in other Nebraska exchanges.

Checklist Item No. 7:

The company's commitment to offer broadband services to all households within the service area of the project for a minimum of five (5) years.

Windstream Response:

If approved for funding, Windstream commits to offer broadband service to all households within the service area of the project for a minimum of five (5) years.

Checklist Item No. 8:

An affidavit from the company attesting 1) (a) that the area of the proposed project is a CAF II eligible area and have not refused CAF II funding, or (b) that the area of the proposed project is ineligible for CAF II funding. 2) That the company has done its due diligence to verify that comparable broadband does not already exist in the area of the proposed project. 3) The truth and accuracy of all information included in the project filing.

Windstream Response:

The Affidavit of Brad Brannon is provided in Attached Checklist Item #8.

CHECK LIST #2 CENSUS BLOCKS - Ashland Exchange RL15

Criteria for Determining NUSF Eligibility for Census Blocks in Priority Order for Projects Using Fixed Wireless Technology:

- 1) If Census Block is CAF 2 - Not Eligible
- 2) If Census Block has Wireline Competitor with at least 10/1 broadband - Not Eligible
- 3) If Census Block Wireline Competitor is a Neighboring ILEC Sharing Service in the Census Block - Eligible
- 4) If Census Block has a Fixed Wireless Competitor with at least 10/1 Broadband but Does Not Provide Voice - Eligible
- 5) If Census Block has a Fixed Wireless Competitor that receives federal USF - Eligible
- 6) If proposal is for a wireline solution, then Fixed Wireless census blocks are counted - Eligible

| Census Blocks | CAF 2 and Form 477 Status | Is Wireline Competitor a Neighboring ILEC? | Does Fixed Wireless Competitor Qualify as Competitor? * | NUSF Eligibility | Summary | # Census Blocks | % |
|-----------------|---------------------------|--|---|------------------|----------------------|-----------------|-------|
| 310259658003162 | CAF2 | | | CAF2 | CAF2 | 28 | 51% |
| 311090101002001 | CAF2 | | | CAF2 | NE BB Eligible | 27 | 49% |
| 311090101002002 | CAF2 | | | CAF2 | Competition - FW | 0 | 0% |
| 311090101002003 | CAF2 | | | CAF2 | Competition - Other | 0 | 0% |
| 311090101002009 | CAF2 | | | CAF2 | Total | 55 | 100% |
| 311090101002010 | CAF2 | | | CAF2 | | | |
| 311090101002011 | CAF2 | | | CAF2 | Eligible for Funding | 27 | 49.1% |
| 311090101002015 | CAF2 | | | CAF2 | | | |
| 311090101002016 | CAF2 | | | CAF2 | | | |
| 311090101002018 | CAF2 | | | CAF2 | | | |
| 311090101002019 | CAF2 | | | CAF2 | | | |
| 311090101002024 | CAF2 | | | CAF2 | | | |
| 311090101002033 | CAF2 | | | CAF2 | | | |
| 311090101002036 | CAF2 | | | CAF2 | | | |
| 311090101002037 | CAF2 | | | CAF2 | | | |
| 311090101002210 | CAF2 | | | CAF2 | | | |
| 311559684002510 | CAF2 | | | CAF2 | | | |
| 311559684002524 | CAF2 | | | CAF2 | | | |
| 311559684002527 | CAF2 | | | CAF2 | | | |
| 311559684002531 | CAF2 | | | CAF2 | | | |
| 311559684002556 | CAF2 | | | CAF2 | | | |
| 311559684002596 | CAF2 | | | CAF2 | | | |
| 311559684002602 | CAF2 | | | CAF2 | | | |
| 311559684002603 | CAF2 | | | CAF2 | | | |
| 311559685001117 | CAF2 | | | CAF2 | | | |
| 311559685001120 | CAF2 | | | CAF2 | | | |
| 311559685001122 | CAF2 | | | CAF2 | | | |
| 311559685001124 | CAF2 | | | CAF2 | | | |
| 310259658003160 | Competition - FW | | | NE BB Eligible | | | |

Check List #3 Subscribers - Ashland Exchange RL15

| Exchange | # Locations in Deployment Area |
|----------|--------------------------------------|
| Ashland | 54 |

Estimated Broadband Take Rate 50%

New Broadband Subscribers 27

50% Take Rate assumption is likely low since broadband is generally not available due to long loop lengths

Checklist Item #4 Estimated Schedule – Ashland Exchange RL15

Proposed Schedule:

| | |
|---|-------------------------|
| Engineering design & approval | 30 Calendar Days |
| Site Acquisition, permitting & material acquisition | 90 to 120 Calendar Days |
| Equipment deployment, testing, and turn-up | 30 Calendar Days |

Notes:

If multiple sites are involved, work activities will be conducted concurrently, so that total time for the project is 150 to 180 days

Schedule is subject to seasonal limitations regarding when construction can commence or be completed.

Check List #5 Budget & Depreciation - Ashland Exchange RL15

Budget

Remote Sites

| Item | Labor | Material | Item Total | Quantity | Mat Total | Grand Total | Notes |
|--------------------|----------|----------|------------|----------|-----------------|------------------|---|
| Site Survey | \$1,000 | \$0 | \$1,000 | 1 | \$0 | \$1,000 | |
| Fiber Buildout | \$0 | \$0 | \$0 | 0 | \$0 | \$0 | |
| Desktop Planning | \$18 | \$0 | \$18 | 54 | \$0 | \$972 | |
| Site Engineering | \$3,300 | \$0 | \$3,300 | 1 | \$0 | \$3,300 | |
| Site Acquisition | \$10,183 | \$0 | \$10,183 | 1 | \$0 | \$10,183 | |
| Power Make Ready | \$18,000 | \$0 | \$18,000 | 1 | \$0 | \$18,000 | |
| 95' AGL Wood Pole | \$10,000 | \$23,800 | \$33,800 | 1 | \$23,800 | \$33,800 | |
| Base Station | \$4,433 | \$5,513 | \$9,946 | 4 | \$22,054 | \$39,784 | 5 GHz PtMP radio |
| PtP Radio | \$7,125 | \$8,825 | \$15,950 | 1 | \$8,825 | \$15,950 | Assuming 18 GHz radio - Link Budget Calculation pending |
| Site Work | \$5,070 | \$5,000 | \$10,070 | 1 | \$5,000 | \$10,070 | Placeholder for fiber + electricity work + pole mounted cabinet |
| Cabinet/PoE Switch | \$1,500 | \$7,500 | \$9,000 | 1 | \$7,500 | \$9,000 | Pole-mounted |
| Total | | | | | \$67,179 | \$142,058 | |

| | | | | | | |
|-----|----------|-------|--|--|--|---------|
| Tax | \$67,179 | 5.00% | | | | \$3,359 |
|-----|----------|-------|--|--|--|---------|

| | | | | | | |
|--------------------|--|--|--|--|--|------------------|
| Grand Total | | | | | | \$145,417 |
|--------------------|--|--|--|--|--|------------------|

Excluded

| | | | | | | |
|-----|----------|-------|--|--|--|---------|
| ROW | | | | | | \$0 |
| IDC | \$67,179 | 5.00% | | | | \$3,359 |

| | | | | | | |
|----------------------------|--|--|--|--|--|------------------|
| Total Project Costs | | | | | | \$145,417 |
|----------------------------|--|--|--|--|--|------------------|

| | | | | | | |
|--|--|--|--|--|--|--------------|
| % of Eligible Census Blocks from Checklist #2 | | | | | | 49.1% |
|--|--|--|--|--|--|--------------|

| | | | | | | |
|---------------------------------|--|--|--|--|--|-----------------|
| Requested Funding Amount | | | | | | \$71,386 |
|---------------------------------|--|--|--|--|--|-----------------|

Depreciation Lives

Life in Years

| | |
|-----------------------|----|
| Fixed Wireless Assets | 45 |
| Poles | 33 |

Check List #6 Pricing - Ashland Exchange RL15

| Price for Internet Only (HSI Simple or Solo Internet) | | | | |
|---|--|----------------|------------------------|-----------|
| Speed | | Standard Price | Current Promo | Net Price |
| Up to 25Mb | | \$45 | \$10 off for 12 months | \$35 |
| 50Mb | | \$45 | \$10 off for 12 months | \$35 |
| 100Mb | | \$45 | \$10 off for 12 months | \$35 |
| 1 Gbps | | \$75 | \$20 off for 12 months | \$55 |

| Price for Internet + Bundle Phone Adder | | | | |
|---|--|----------------|------------------------|-----------|
| Speed | | Standard Price | Current Promo | Net Price |
| Up to 25Mb | | \$65 | \$10 off for 12 months | \$55 |
| 50Mb | | \$65 | \$10 off for 12 months | \$55 |
| 100Mb | | \$65 | \$10 off for 12 months | \$55 |
| 1 Gbps | | \$95 | \$20 off for 12 months | \$75 |

\$50 Activation Fee and Free Professional Installation

AFFIDAVIT OF BRAD BRANNON

I, Brad Brannon, being first duly sworn upon oath, state as follows:

1. I am currently employed by Windstream as the Vice President Consumer & Small Business - Business Intelligence. In that capacity, I am personally familiar with the company's network structure in Nebraska.
2. I have reviewed the foregoing project filing and certify that (a) the areas of the proposed project are CAF II eligible areas and have not refused CAF II funding, or the areas of the proposed project are ineligible for CAF II funding; (b) Windstream has done its due diligence to verify that comparable broadband does not already exist in the areas of the proposed project that we are requesting funding; and (c) all information included in the project filing is true and accurate to the best of my knowledge and belief.



Brad Brannon

ACKNOWLEDGMENT

STATE OF ARKANSAS)

:SS

COUNTY OF PULASKI

Subscribed, sworn to and acknowledged before me on this 5 day of April, 2018
by Brad Brannon



Notary Public

